

UNIT SEMIANNUAL REPORT FOR THE FIRST HALF OF THE YEAR 2004**BALANCE SHEET**

ASSETS	balance as on	30.06.2004	31.12.2003	30.06.2003
I. Fixed assets		485 624	428 810	414 473
1. Intangible assets, including:		41	13	60
2. Material fixed assets		79 299	121 089	125 930
3. Long-term receivables		-	-	-
4. Long-term investments		397 128	303 412	282 808
4.1. Real property		-	-	-
4.2. Intangible assets		-	-	-
4.3. Long-term financial assets		397 128	303 412	282 808
a) in affiliated companies, including		397 089	302 567	-
b) in other companies		39	845	409
4.4. Other long-term investments		-	-	-
5. Long-term accruals		9 156	4 296	5 675
5.1. Assets on account of deferred income tax		6 313	4 296	5 675
5.2. Other accruals		2 843	-	-
II. Current assets		303 945	361 474	374 342
1. Inventories		162 163	154 881	155 091
2. Short-term receivables		111 562	128 347	167 334
2.1. From affiliated companies		99 765	103 888	144 635
2.2. From other companies		11 797	24 459	22 699
3. Short-term investments		29 624	76 788	46 704
3.1. Short-term financial assets		29 624	76 788	46 704
a) in affiliated companies		19 807	68 007	24 065
b) in other companies		-	5 359	21 625
c) cash and cash equivalents		9 817	3 422	1 014
3.2. Other short-term investments		-	-	-
4. Short-term accruals		596	1 458	5 213
Assets	total	789 569	790 284	788 815
LIABILITIES	balance as on	30.06.2004	31.12.2003	30.06.2003
I. Equity capital		306 561	302 146	296 868
1. Share capital		21 000	21 000	21 000
2. Due payments to initial capital (negative value)		-	-	-
3. Own shares (negative value)		-	-	-
4. Supplementary capital		281 147	270 354	270 282
5. Revaluation capital		-	-	-
6. Other reserve capitals		-	-	-
7. Profit (loss) carried forward		-	-	-
8. Net profit (loss)		4 414	10 792	5 586
9. Deductions from net profit during the accounting year (negative value)		-	-	-
II. Liabilities and provisions for liabilities		483 008	488 138	491 947
1. Provisions for liabilities		13 406	7 846	15 125
1.1. Provision on account of deferred income tax		10 235	7 846	15 125
1.2. Reserve for retirement benefits and similar benefits		-	-	-
a) long-term		-	-	-
b) short-term		-	-	-
1.3. Other reserves		3 171	-	-
a) long-term		-	-	-
b) short-term		3 171	-	-
2. Long-term liabilities		253 084	206 558	94 544
2.1. To affiliated companies		65 067	71 591	-
2.2. To other companies		188 017	134 967	94 544
3. Short-term liabilities		110 484	147 017	272 547
3.1. To affiliated companies		5 440	130	9 855
3.2. To other companies		104 986	146 874	262 657
3.3. Special funds		58	13	35
4. Accruals		106 034	126 717	109 731
4.1. Negative goodwill		-	-	-
4.2. Other accruals		106 034	126 717	109 731
a) long-term		90 299	89 311	87 552
b) short-term		15 735	37 406	22 179
Liabilities	total	789 569	790 284	788 815
Book value		306 561	302 146	296 868
Number of shares		10 500 000	10 500 000	10 500 000
Book value per one share (in PLN)		29,20		28,27

Off-balance items

	30.06.2004	31.12.2003	30.06.2003
1. Conditional receivables	-	-	-
2. Conditional liabilities	105 173	94 523	77 612
2.1. To affiliated companies (on account of)	103 757	87 172	69 677
- granted guarantees and sureties	103 757	87 172	69 677
2.2. To other companies (on account of)	1 416	7 351	7 935
- granted guarantees and sureties	1 416	7 351	7 935
3. Other (on account of)	3 564	2 936	9 899
- purchase of land property in Plock	-	-	7 014
- purchase of land property in Radom	2 000	2 000	2 000
- agreement with NOMI S.A. as of June 1, 2001	902	936	885
- court proceedings against Echo Investment	662		
Off-balance items total	108 737	97 459	87 511

PROFIT AND LOSS ACCOUNT

	01.01.2004 30.06.2004	01.01.2003 30.06.2003
I. Net income on sales of products, goods and materials, including:	151 673	172 699
- from affiliated companies	93 239	80 900
1. Net income from the sale of products	151 673	172 699
2. Net income from the sale of goods and materials	-	-
II. Costs of sold products, goods and materials, including:	121 093	151 068
- from affiliated companies	82 572	79 156
1. Production cost of sold products	121 093	151 068
2. Value of sold goods and materials	-	-
III. Gross profit (loss) on sales (I-II)	30 580	21 631
IV. Costs of sales	3 406	2 866
V. Overheads	6 454	5 332
VI. Profit (loss) on sales (III-IV-V)	20 720	13 433
VII. Other operating income	4 552	914
1. Profit on sale of non-financial fixed assets	102	-
2. Subsidies	-	-
3. Other operating income	4 450	914
VIII. Other operating costs	13 032	4 690
1. Loss on sale of non-financial fixed assets	-	274
2. Revaluation of non-financial assets	8 658	4 148
3. Other operating costs	4 374	268
IX. Profit/loss on operating activity (VI+VII-VIII)	12 240	9 657
X. Financial income	7 458	3 275
1. Dividends and share in profit, including:	1 500	1 050
- from affiliated companies	1 500	1 050
2. Interest, including:	2 859	1 737
- from affiliated companies	2 698	1 246
3. Profit on sale of investments	-	-
4. Investment revaluation	3 074	-
5. Other	25	488
XI. Financial costs	14 163	4 359
1. Interest, including:	6 507	2 584
- to affiliated companies	2 553	11
2. Loss on sale of investments	3 074	2
3. Investment revaluation	3 930	1 398
4. Other	652	375
XII. Profit/loss on economic activity (XI+X-XI)	5 535	8 573
XIII. Result on extraordinary events (XIII.1. - XIII.2.)	-	-
1. Extraordinary profit	-	-
2. Extraordinary loss	-	-
XIV. Gross profit (loss) (XII+/-XIII)	5 535	8 573
XV. Income tax	1 121	2 986
a) current portion	748 373	3 221 (235)
b) deferred portion	-	-
XVI. Other mandatory reductions of profit (loss increase)	-	-
XVII. Shares in net profit (loss) of subsidiaries valued according to ownership rights method	-	-
XVIII. Net profit (loss) (XIV-XV-XVI+/-XVII)	4 414	5 587
Net profit (loss) (annualized)	9 619	10 792
Weighted average number of ordinary shares	10 500 000	10 500 000
Profit (loss) per one ordinary share (in PLN)	0,92	1,03

CASH FLOW STATEMENT (indirect method)

	01.01.2004 30.06.2004	01.01.2003 30.06.2003
I. Net profit (loss)	4 414	5 586
II. Adjustments total	23 501	(30 854)
1. Shares in net (profit) loss of subsidiaries valued according to ownership rights method	-	-
2. Depreciation	2 494	2 369
3. Foreign exchange gains/losses	-	-
4. Interest and shares in profits (dividends)	5 308	9 168
5. (Profit) loss on investment activity	(3 176)	428
6. Change in reserves	5 560	1 417
7. Change in inventories	(7 283)	(305)
8. Change in receivables	11 539	7
9. Change in short-term liabilities, except for loans and credits	(10 435)	(30 114)
10. Change in accruals	(20 575)	(13 752)
11. Other adjustments	40 069	(72)
III. Net cash flows from operating activity (I+/-II) – indirect method	27 915	(25 268)
B. Cash flows on investment activity		
I. Revenues	93 707	17 066
1. Sales of intangible assets and fixed assets	463	451
2. Sales of investments in real property and in intangible assets	-	-
3. From financial assets, including:	93 244	16 615
a) in affiliated companies	79 646	11 615
- sales of financial assets	-	5 866
- dividends and shares in profits	1 500	1 050
- repayment of granted long-term loans	75 247	4 324
- interest	2 899	375
b) in other companies	13 598	5 000
- sales of financial assets	13 598	5 000
4. Other revenues from investments	-	-
II. Expenditure	122 850	7 257
1. Acquisition of intangible assets and fixed assets	1 628	2 121
2. Investments in real property and in intangible assets	-	-
3. On financial assets, including:	121 222	5 136
a) in affiliated companies	121 222	5 136
- acquisition of financial assets	20 609	(1 163)
- granted long-term loans	100 613	6 299
b) in other companies	-	-
- acquisition of financial assets	-	-
- granted long-term loans	-	-
4. Other investment expenditure	-	-
III. Net cash flows on investment activity (I-II)	(29 143)	9 809
C. Cash flows on financial activity		
I. Revenues	251 097	488 786
1. Net income from issue of stocks (issue of shares) and other capital instruments and additional payments to capital	-	-
2. Loans and credits	-	19 586
3. Issue of debenture bonds	251 097	469 200
4. Other financial income	-	-
II. Expenditure	243 474	508 858
1. Acquisition of own shares (stocks)	-	-
2. Dividends and other payments to owners	-	-
3. Expenses on account of profit distribution, other than payments to owners	-	-
4. Repayments of loans and credits	65 556	41 404
5. Redemption of debenture bonds	168 800	455 950
6. On account of other financial liabilities	-	-
7. Payments of liabilities on account of financial lease contracts	-	-
8. Interest	9 118	11 504
9. Other financial expenses	-	-
III. Net cash flows on financial activity (I-II)	7 623	(20 072)
D. Net cash flows total (A.III+/-B.III+/-C.III)	6 395	(35 531)
E. Difference in cash balances, including:	6 395	(35 531)
F. Cash at the beginning of the period	3 422	36 545
G. Cash at the end of period (F+/-D), including:	9 817	1 014
- with limited disposability	-	534